

ESTTA Tracking number: **ESTTA10350**

Filing date: **06/18/2004**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91115198
Party	Defendant BUILD-A-BEAR WORKSHOP, LLC
Correspondence Address	ALAN S. NEMES PEPER MARTIN JENSEN MAICHEL AND HETLAGE 720 OLIVE ST 24TH FL ST LOUIS, MO 63101-2396
Submission	Opposition/Response to Motion
Filer's Name	Anthony Martin
Filer's e-mail	amartin@blackwellsanders.com
Signature	/Anthony Martin/
Date	06/18/2004
Attachments	BABW Opposition to Motion for Further Discovery.pdf (9 pages)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

THE VERMONT TEDDY BEAR)	
COMPANY, INC.,)	
)	
Opposer,)	
)	
v.)	Opposition No. 115,198
)	
BUILD-A-BEAR WORKSHOP, INC.,)	
)	
Applicant.)	

**BUILD-A-BEAR WORKSHOP, INC.’S OPPOSITION TO
OPPOSER’S MOTION TO PERMIT FURTHER DISCOVERY PURSUANT TO FED. R.
CIV. P. 56(f)**

Introduction

Vermont Teddy Bear’s (“VTB”) motion for further discovery to include the deposition of Maxine Clark should be denied for the following reasons:

1. VTB has not shown or alleged the unavailability of affidavits or other evidence regarding its own use of a heart in a bear because:

- a. VTB’s own affiants are available to provide affidavits on the extent of the use of a heart by VTB;
- b. VTB already possesses documents detailing its own alleged use of a heart.

2. VTB has not shown or alleged that Maxine Clark has any information that would preclude Summary Judgment:

- a. VTB has not demonstrated that information sought by VTB would create an issue of fact;
- b. BABW’s application is based on intent-to-use and its use is irrelevant to the issue of VTB’s alleged use of a heart;
- c. VTB already has several hundred documents showing how BABW uses and promotes its heart mark.

3. BABW filed a timely and appropriate motion for Summary Judgment after a reasonable amount of time to review the evidence provided by VTB.

The Underlying Motion for Summary Judgment

As recognized by VTB in their present motion, the sole issue of the pending motion for Summary Judgment is whether VTB's use of a heart constituted only "ornamental or decorative" use of a heart and, consequently, afforded VTB no trademark rights by virtue of such decorative use prior to the date of BABW's Intent-to-Use trademark application.

The Federal Circuit encourages Summary Judgment to save the time and expense of a useless trial where there is no genuine issue of material fact. *See, e.g., Pure Gold, Inc. v. Syntex (U.S.A.), Inc.*, 739 F.2d 624, 222 USPQ 741 (Fed. Cir. 1984) and *Sweats Fashions, Inc. v. Pannill Knitting Co. Inc.*, 833 F.2d 1560, 4 USPQ2d 1793 (Fed. Cir. 1987). The standard and accepted practice of the USPTO is to suspend all proceedings in a case that are not germane to the resolution of a pending motion for Summary Judgment. 37 C.F.R. § 2.127(d) and T.B.M.P. § 528.03. Thus, the burden is on VTB to show that further discovery—such as a deposition—is necessary for its response to the pending motion for Summary Judgment.

The Burden On VTB to Show That Discovery is Necessary

The text of Rule 56(f) highlights the burden on VTB to show good cause as to the necessity of extraordinary discovery measures such as a deposition. The Rule states:

(f) When Affidavits are Unavailable.

Should it appear from the affidavits of a party opposing the motion that the party cannot for reasons stated present by affidavit facts essential to justify the party's opposition, the court may refuse the application for judgment or may order a continuance to permit affidavits to be obtained or depositions to be taken or discovery to be had or may make such other order as is just. Fed. R. Civ. P. 56(f)

In amplification of this Rule, the Federal Circuit and other circuit courts of appeals have set out a laundry list of requirements for a party like VTB who seeks additional discovery under Rule 56(f), including:

- VTB must “*state reasons* why he (it) cannot present by affidavit facts essential to justify his (its) opposition to the motion for summary judgment.” *Keebler Co. v. Murray Bakery Products*, 9 USPQ2d 1736 (Fed. Cir. 1989)(emphasis in original).
- VTB must explain its “failure to respond to a Summary Judgment motion by counter affidavits establishing genuine issues of material fact.” *Barfield v. Brierton*, 883 F.2d 923 (11th Cir. 1989).
- VTB must “conclusively justify entitlement to the shelter of Rule 56(f) by presenting specific facts explaining inability to make substantive response required by Rule 56(e).” *Keebler* at 1389, quoting 6-Pt. 2 J. Moore & J. Wicker, *Moore’s Federal Practice* ¶ 56.24 (1988).

1. VTB is Not Entitled to 56(f) Discovery Because VTB Has Not Shown Or Alleged The Unavailability Of Affidavits Regarding Its Own Use Of A Heart In A Bear

a. VTB Does Have the Ability to Produce Affidavits Concerning Its Use

The heading to Rule 56(f) lays out the first requirement that must be proven in order to obtain discovery under the Rule—“When Affidavits Are Unavailable.” However, VTB does not allege and cannot allege that its own potential affiants are unavailable. In the 46 pages of its motion, VTB never makes the necessary assertion that VTB cannot produce affidavits concerning its own use of a heart in connection with teddy bears. Clearly, VTB must possess such evidence and information concerning its own use. VTB’s failure to admit the possession of such availability or affidavits does not create a need for the proposed deposition.

b. VTB Does Have the Ability to Produce Documents Concerning Its Use

In addition, VTB has already produced over 100 documents in this case. Likewise, VTB's motion makes a great deal out of its measures to procure more documents in response to BABW's discovery requests. VTB gives no indication or explanation as to why these very documents cannot support its case against Summary Judgment.

2. VTB Has Not Shown Or Alleged That Maxine Clark Has Any Information That Would Justify VTB's Case Against Summary Judgment

a. The Information Sought By VTB Would Not Create An Issue Of Fact

- *"Information concerning the manner by which Applicant has used the mark."*

First, VTB seeks to depose Ms. Clark to obtain "information concerning the manner by which Applicant has used the mark." *See Spiegel Declaration*, ¶ 9. VTB produces no Rule, no case law, no treatise, and no authority whatsoever for the proposition that VTB can prove common law trademark rights by reference to the use of a mark by an unrelated party, namely, BABW. If VTB is to claim trademark rights, they must arise from VTB's own use of a heart. *See Hydro-Dynamics, Inc. v. George Putnam & Co.*, 811 F.2d 1470, 1 USPQ2d 1772 (Fed. Cir. 1987). VTB's use is completely independent of anything that BABW may have done.

Further, VTB fails to specify exactly why it is necessary for BABW to testify as a precursor to VTB's production of evidence of trademark usage. Even if Ms. Clark were to lay out exactly how the BABW heart has been used, VTB would still have to come forward with proof by some measure that VTB use is not ornamental. There is no explanation as to why VTB cannot make a showing of trademark use—if it had any—in the absence of Ms. Clark's deposition. The best VTB can do is to conjure some "analogy" rather than point to its own use as proof of trademark significance.

If VTB is reliant on Ms. Clark to show their trademark rights, there is no issue of material fact.

- “*the precise circumstances under which Applicant allegedly created their mark*”

Second, VTB also “wishes to question” Ms. Clark about BABW’s creation of the mark. VTB appears to put forth the proposition that if BABW knew of a VTB heart design, that heart must be a trademark. In support of this proposition, VTB cites the McCarthy treatise from a section discussing whether certain marks are “strong” or “weak”—not a section on ornamentation and not a discussion that is relevant to this issue. 4 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, § 7:34. In addition, VTB cites a 1917 case concerning the likelihood of confusion between two distinctive design trademarks. In the present proceeding, likelihood of confusion is not the subject of the motion for Summary Judgment. In addition, VTB does not have a “distinctive symbol” that functions as trademark.

In order for these citations to be relevant, VTB would have to prove the very thing at issue in the motion for Summary Judgment: that their alleged use of a heart is more than ornamentation.

b. BABW’s Application Is Based On Intent-To-Use And Its Use Is Irrelevant To The Issue Of VTB’s Alleged Use A Mark

The BABW application was filed based on a bona fide Intent-to-Use. BABW did not make any amendment to allege use of the mark prior to publication. The law is clear that BABW is entitled to rely on the filing date of its ITU application for its constructive use date for purposes of an opposition. *Larami Corp. v. Talk To Me Programs, Inc.*, 36 USPQ2d 1840 (TTAB 1995).

The law is equally clear that unless VTB can show trademark rights prior to that constructive use date, there is no genuine issue of material fact. *Miller Brewing Co. v.*

Anheuser-Busch Inc., 27 USPQ2d 1711 (TTAB 1993). At no point is an Applicant's use relevant. The only relevant inquiry is whether VTB used a heart as a trademark before that date. As such, any deposition questions directed to the issue of BABW's use of the mark in their Intent-to-Use application cannot produce matter that would preclude Summary Judgment.¹

In fact, the Board recently took up this very issue when an Opposer attempted to scrutinize the use of mark that was the basis of an ITU application. *See Central Mfg. Co. v. Paramount Parks, Inc.*, Opposition No. 91/123,765 (March 9, 2004). In that case, the Board determined that Opposer's attempts to analyze the ITU applicant's use were inappropriate. *Id.* Indeed, the Board held that such an evaluation amounts to a premature ex parte examination of applicant's potential specimens of use. *Id.* It follows that BABW should not be made to produce now what the USPTO itself does not require.

c. VTB Already Has Hundreds of Documents From BABW

VTB's request to depose Ms. Clark is further hindered by the fact that VTB is already in possession of hundreds of documents concerning BABW's use and promotion of its heart mark. VTB cannot explain why the documents produced that abundantly demonstrate examples of BABW's use and promotion of its heart mark are not good enough. Further, there is no allegation that Ms. Clark will be able to provide any information that is not contained in the hundreds of documents already given to VTB. Most problematic is the fact that VTB cannot explain why its questions concerning use of the BABW heart mark can only be answered by Ms. Clark and not by reference to the very documents VTB already has in its hands or by reliance on the many documents and

¹ VTB's memorandum falsely asserts that BABW has asserted a date of first use of the heart as a trademark prior to the filing date of the application by BABW. The correct statement is that BABW objected to VTB's inquiry as to the first use date on the basis that the application was an ITU and the first use date was not relevant. As a concession to VTB, BABW provided the first use date but has never alleged reliance on a date prior to its constructive use date.

information in the public domain. VTB has had five years to conduct its own investigation of BABW's use and promotion of the heart mark in any of the approximately 200 stores that are open to the public in malls across the United States.

Conclusion on the Issue of Ms. Clark's Deposition

In order to prevail on the present motion to allow a deposition of Ms. Clark to address issues present in the motion for Summary Judgment, VTB needed to conclusively justify its entitlement to extra discovery under Rule 56(f). In this case, VTB failed to meet its burden. VTB has a number of people that can attest to VTB's manner of use of a heart. VTB has a number of its own documents that address its use of a heart. As for its requests about BABW's use, such inquiries are irrelevant since BABW filed an ITU application and is entitled to rely on the constructive use date. In addition, any information about BABW's would be a useless duplication of the hundreds of documents that VTB already possesses concerning BABW's use. As such, VTB has not sufficiently demonstrated that it is entitled to such an extraordinary discovery request.

Other Issues

1. VTB's Allegation That This Case Has Been "Railroaded"

VTB's memorandum implies that BABW's timely motion for Summary Judgment was an attempt to "railroad" the proceedings. This implication is incorrect.

First, VTB has already acknowledged that it delayed production of documents to BABW for over one month—since May 13. In addition, the attorneys mutually communicated an interest in settlement of this matter, but VTB never returned with comments or proposals. Based on the evidence presented to BABW in a matter of weeks, BABW reviewed the documents received from VTB on approximately May 10, investigated all of the evidence, performed the necessary research, prepared a motion,

and filed a motion for summary judgment. The fact that the Summary Judgment was sent out on June 14 is a result of the time necessary to prepare such a filing and the opportunity afforded to VTB to supplement its response and/or respond regarding potential settlement.

Second, in the *Celotex* case that VTB cites in support of its “railroad” protection, the case was less than a year old and no discovery had been propounded. This case, however, has been going on for five years and the parties have exchanged substantial discovery.

2. The First Proposed Order

This proposed order includes a request that the proposed deposition should not be limited to the subject matter of the Summary Judgment. This is not appropriate. The stated and known purpose of 56(f) discovery is “to allow the party seeking such discovery to obtain evidence necessary to respond to a summary judgment motion, and not to obtain general discovery.” *Universal City Studios LLLP v. Brost*, 2003 WL 22415603 (TTAB October 15, 2003). This request underscores the true nature of this motion—to expend time and resources and to disrupt the business of one of VTB’s competitors to obtain general discovery that is unrelated to the pending motion for Summary Judgment.

3. The Second Proposed Order

VTB’s submission packet speaks several times of the “busiest time of the year.” It is also a busy time for BABW. Yet, the proposed order seeks to have Ms. Clark deposed on multiple occasions in inconvenient locations. The standard and acceptable practice is for the party taking the deposition should arrange for such deposition to take place at a location that is at or near the deponent’s place of business.

This practice should not be allowed so as to prejudice BABW for filing an appropriate and timely motion for Summary Judgment.

4. Offer of Extension of Time

BABW will agree to an extension of time for VTB to respond to the motion for Summary Judgment in light of VTB's agreement to other such matters, the on-going project to locate responsive documents by VTB, and the demands on the parties. However, for the foregoing reasons, BABW requests that all other matters in this proceeding remain in suspension pending disposition of the motion for Summary Judgment—including the deposition of Ms. Clark.

WHEREFORE, Build-A-Bear Workshop, Inc. prays that this Board enter an order denying Opposer's Motion.

By: /s/ Michelle W. Alvey
Alan S. Nemes
Michelle W. Alvey
Anthony C. Martin
Blackwell Sanders Peper Martin LLP
720 Olive, Suite 2400, St. Louis, MO 63101
(314) 345-6000
(314) 345-6060 (facsimile)

*Attorneys for Applicant
Build-A-Bear Workshop, Inc.*

CERTIFICATE OF MAILING

I hereby certify that this correspondence is being submitted via the Electronic System for Trademark Trials and Appeals on June 18, 2004.

/s/ Michelle W. Alvey

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing was served upon H. Jay Spiegel, H. Jay Spiegel & Associates, P.O. Box 11, Mount Vernon, Virginia 22121 via facsimile on this 18th day of June 2004.

/s/ Michelle W. Alvey